



## Investment property cap rate potential report – Greater Boston New Listings

Listing Activity	Zone	2	East	2019	January	Report #	4							
Property Location	List Status	List Price	Total Units	Total Beds	Market Income Est	Operating Exp. Est.	NOI Estimate	Cap Rate Estimate	Investment Rating	\$ per Bedroom	\$ PSF Liv Area	\$ per Room	\$ PSF Land	Highlights
East Boston	New	1100000	3	6	60480	22278	43241.6	3.93%	1-Poor	183333	347	122222	965	None
Chelsea	New	699900	2	7	52560	17498	39442.3	5.64%	3-Good	99986	264	53838	297	None
Revere	New	899000	3	10	87360	28003	66637	7.41%	5-Excellent	89900	181	52882	140	Current rents are below market
Revere	New	549000	2	5	47880	18321	33549.3	6.11%	4-Great	109800	194	49909	172	None
Eagle Hill	New	1100000	3	5	55440	23194	36866.3	3.35%	1-Poor	220000	299	73333	444	None
Jeffries Point	BOM	650000	2	2	30240	15127	17633.5	2.71%	1-Poor	325000	407	108333	612	None
Chelsea	New	599000	2	5	41040	16027	28432.7	4.75%	2-Average	119800	255	54455	244	Current rents are above market
Revere	New	739000	2	4	42840	18322	28088	3.80%	1-Poor	184750	206	73900	57	None

Properties highlighted in Green indicate properties with investment ratings of 3 or better, darker green shade is for an investment rating of 4 and the darkest green is for an excellent 5 investment rating

Every day new multifamily investment properties come on the market. After listening to my investor clients describe their challenges with quickly assessing which properties are worth pursuing and which ones are not I decided to do the leg work and provide a summary of some key data and cap rate estimations along with my rating of the investment opportunity from an overview of information provided in the listing along with utilizing neighborhood market rate estimates and expense estimates. This new listings report will provide a good look at the cap rate and income potential that buyers can expect from their investment for new properties to the market.

Investors should use this summary as a guide to target the highest rated opportunities first before spending cycles on the lower rated opportunities. You may have your own investment rating based on your risk tolerance levels and investment goals. Table 1 below provides the cap rate ratings used in this report.

Table 1: Cap Rate Range Ratings			Table 2: Identifies the different cities and neighborhoods that are included in each of the separate zones.		
Rating	Rating Title	Cap Rate Range	Zone #	Zone Location	Cities-Neighborhoods
5	Excellent	>7.0	1	City	Boston- Back Bay, Beacon Hill, Charlestown, Chinatown, Downtown, Fenway, Kenmore, Midtown, North End, Seaport District, South Boston, South End, Waterfront, West End; Cambridge, Somerville
4	Great	6.0-6.9	2	East	Boston-East Boston; Chelsea, Winthrop, Revere
3	Good	5.0-5.9	3	North	Everett, Malden, Medford
2	Average	4.0-4.9	4	West	Arlington, Belmont, Brookline, Newton, Waltham, Watertown, Boston – Allston, Brighton
1	Poor	<4.0	5	South	Boston-Dorchester, Hyde Park, Jamaica Plain, Mattapan, Roslindale, Roxbury, West Roxbury

\*Data source for listings in this report including list price, number of units and number of bedrooms are from MLSPIN all other data is provided by  
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